

IRISH BEACH WATER DISTRICT BOARD OF DIRECTORS
REGULAR MEETING MINUTES
Saturday, May 10, 2025, at 10:00 A.M. (ZOOM AND IN-PERSON)

CALL TO ORDER AND ROLL CALL: President Israel called the regular meeting of the Irish Beach Water District Board Meeting to order at 10:00am. Roll call of Directors in attendance: Director Ottoboni, and Director Hackett attended in person; Director Kimsey attended via Zoom, and Director Hohos was absent. Staff attending via Zoom included: Special Assistant to the Board Murray, and District Counsel Emrick.

PUBLIC INPUT: None

OLD BUSINESS:

- A. **ACTION:** LAST CALL FOR PROTESTS, CLOSURE OF THE PUBLIC INPUT PORTION OF THE PUBLIC HEARING.

Result: No additional protests were received, and President Israel declared the public input portion of the public hearing closed at 10:03am.

- B. **DISCUSSION AND OR ACTION:** REPORT FROM THE PROP 218 COMMITTEE. REPORT RESULTS OF PROTEST TABULATION; AND BOARD CONSIDER RESOLUTION 2025-06 – FINDING THAT A MAJORITY PROTEST DOES NOT EXIST AND APPROVING THE ONE-TIME 2002 ASSESSMENT REFUND SETTLEMENT AND LITIGATION FEE.

Action: Director Hackett explained that the District identified the parcels upon which the fee or charge was proposed and calculated the amount to be charged, then mailed notice of public hearing on the proposed one-time 2002 Assessment Refund and Litigation Settlement fee to the record owner of each identified parcel, including the amount of the fee or charge, the basis for its calculation, the reason for the fee or charge, and the date, time, and location of a public hearing. She reported that as of the close of the public input portion of the public hearing, the District had received four written protests, which represents 1.9% of the affected parcels. As such, there is not a majority of parcel owners protesting imposition of the one-time fee, and the Board should consider Resolution 2025-06. President Israel made a motion to approve Resolution 2025-06 – Finding that a Majority Protest does not Exist and Approving the One-time 2002 Assessment Refund and Litigation Settlement Fee as amended to include the number of protests received. Director Hackett seconded the motion, and President Israel called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

- C. **DISCUSSION AND OR ACTION:** BUDGET & FINANCE COMMITTEE UPDATE REVIEW OF FISCAL YEAR 2024/2025 LINE- ITEM BUDGETED V. ACTUALS.

Action: Director Ottoboni reported that income and expenses are as expected for this stage in the budget cycle, and the District's financial position is good. He noted that initial budget projections included a net loss of around \$30,000; however, actuals reflect a surplus of approximately \$4,000, which puts the District in a good position to absorb the significant expense as a result of the recent pipeline break. Director Ottoboni reminded the Board that line 563.400 reflects engineering costs accrued in FY 2023-2024, but paid in FY 2024-2025, and reported that both Operations and General Administrative expenses have been less than budgeted for the year to date. He explained that as the District builds a small operational reserve, he plans to reduce budgeted expenses for maintenance and repair so that larger expenses such as a pipeline break are covered by reserve funding rather than built into the annual budget. The Board accepted Director Ottoboni's report and thanked him for his efforts to monitor the District's finances.

- D. **DISCUSSION AND OR ACTION:** SPECIAL ASSISTANT TO THE BOARD REPORT - CONSIDER RESOLUTION 2025-08 CONCERNING THE CONDUCT OF THE 2025 ELECTION OF DISTRICT DIRECTORS BY ALL MAILED BALLOT.

Action: Special Assistant to the Board Murray explained that the term for Directors Israel and Kimsey will expire in December, so the District must adopt a resolution calling for the County Clerk to hold an election in August to fill two

four-year vacancies on the Irish Beach Water District Board of Directors. She encouraged property owners to consider the opportunity to seek election to one of the two vacancies and noted that the filing period ends May 30th, 2025. Director Hackett made a motion to approve Resolution 2025-08 – Adopted Pursuant to California Elections Code Sections 4000 et sequiter, Specifically Sections 4108 and 4104 Concerning the Conduct of the 2025 Election of Directors by All Mailed Ballot. President Israel seconded the motion and called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

NEW BUSINESS:

A. DISCUSSION AND OR ACTION: CONSIDER RESOLUTION 2025-09 – AUTHORIZING THE WITHDRAWAL AND TRANSFER ALL FUNDS HELD IN THE MENDOCINO COUNTY TREASURY TRUST ACCOUNT.

Action: Director Ottoboni explained that the District has approximately \$400,000 in a trust held by the Mendocino County Treasury, which functions like an investment account. He reported that funds from the Mallo Pass portion of the 2002 District-wide Capital Improvement Assessment are held in the County Trust. Director Ottoboni noted that to complete the court-ordered refund of a portion of the 2002 Capital Improvement Assessments, the District needs to use the funds in the County Trust. He explained that to withdraw the funds from the County, the Board must approve the resolution authorizing release and authorizing staff to transfer the funds into the District's checking account. President Israel made a motion to approve Resolution 2025-09 – Authorizing the Withdrawal and Transfer of All Funds Held in the Mendocino County Treasury Trust Account. Director Hackett seconded the motion. President Israel called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, Director President Israel - Aye. The motion passed with a quorum.

B. DISCUSSION AND OR ACTION: CONSIDER RESOLUTION 2025-10 – AUTHORIZING THE REIMBURSEMENT OF COURT ORDERED PORTIONS OF THE 2002 DISTRICT-WIDE IMPROVEMENT ASSESSMENT FUNDS.

Action: Director Ottoboni reminded the Board of the presentation made at the March 2025 meeting regarding the court order to reimburse portions of the 2002 System-wide and Mallo Pass Assessments to parcel owners. He explained that parcel owners fall into two categories: those who own property that is connected to the water system, and those who own parcels that are not connected to the water system through installation of a meter. Director Ottoboni reported that the funds that will be available from withdrawal of the County trust covered in Resolution 2025-09 can be used to fulfill the court-ordered refund to all unconnected parcels. He noted that as discussed at the March 2025 Board meeting and in reference to Resolution 2025-06, while all parcel owners will receive a refund, the owners of parcels connected to the water system must pay a one-time fee to generate sufficient capital for the District to finance the litigation and settlement costs. Director Ottoboni explained that Resolution 2025-10 is required to authorize District staff to make refunds to owners of unconnected parcels. Director Hackett made a motion to approve Resolution 2025-010 – Authorizing the Reimbursement of the Court Ordered Portions of the 2002 District-Wide Improvement Assessment Funds. President Israel seconded the motion and called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

C. DISCUSSION AND OR ACTION: CONSIDER RESOLUTION 2025-07 –. DOCUMENTING THE DECISION TO MODIFY RESOLUTION 2002-02 - PERTAINING TO SEPTIC INSPECTIONS.

Action: Director Hackett explained that in addition to providing water service, the District is responsible for administrative oversight of Onsite Waste Disposal Systems (AKA septic systems) and must ensure that homeowners have their septic systems inspected, and pumped, if necessary, at least every 5 years. Director Hackett reported that the District's current policy (Resolution 93-5) does not cover the administrative costs of confirming that all septic systems are inspected to ensure that they are functioning as designed and not introducing contaminants into the groundwater. Resolution 2025-07 provides for increases in the administrative fees for issuing second and final notices reminding homeowners of the need to schedule a septic inspection, as well as the enforcement of the District's existing policy for discontinuing water service for failure to comply with District rules/regulations. Director Hackett made a motion to approve Resolution 2025-07 –. Documenting the Decision to Modify Resolution 1993-05 – Pertaining to Septic Inspections. President Israel seconded the motion and called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

D. DISCUSSION AND OR ACTION: CONSIDER IBWD POLICY 3080 – CUSTOMER WATER SERVICE DISCONNECTION FOR FAILURE TO COMPLY WITH DISTRICT RULES AND REGULATIONS.

Action: Director Hackett reported that as discussed with regard to resolution 2025-07, Policy 3038 addresses the action of last resort to disconnect water service to property owners who fail to comply with District rules and regulations, such as the need to report septic system inspections. She noted that if approved by the Board, the new policy will apply to septic inspections, installation of backflow prevention devices, tampering with District equipment, etc. President Israel made a motion to approve Policy 3038 – Customer Water Service Disconnection for Failure to Comply with District Rules and Regulations. Director Hackett seconded the motion and President Israel called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

COMMUNICATIONS AND CORRESPONDENCE.

Director Hackett reported that the District received communication from George Visas expressing concerns about the method used to provide temporary water service to his home during the water main break on O'Rorey's Place, which occurred on 4/22/25. Director Hackett explained that the District established temporary water service based on proximity available sources, including some made through another meter. She recommended that given the inconvenience to all eight of the homeowners affected by the temporary water shut offs, as well as the two homes that served as conduits for temporary water service while repairs were completed, the District waive one month of availability fees for all 10 households. Director Hackett made a motion to direct staff to waive the availability fee for one month. President Israel seconded the motion and called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

CONSENT CALENDAR:

- A. TREASURER REPORT, CHECKS ISSUED.
- B. OPERATIONS REPORT.
- C. REPORT FROM THE PROP 218 COMMITTEE. STATUS OF 2024 UPGRADE AND SUSTAINABILITY ASSESSMENT AND 2002 CAPITAL REPLACEMENT ASSESSMENT REVENUE.
- D. ORGANIZATIONAL STRUCTURE COMMITTEE REPORT – STATUS OF THE EL DORADO BILLING SYSTEM.
- E. APPROVAL OF MINUTES: MARCH 8, 2025 REGULAR MEETING.

Action: President Israel made a motion to accept the accept the treasurer's report, checks issued, Operations report, Prop 218 Committee report, Organizational Structure Committee report, and the meeting minutes included in the consent calendar. Director Ottoboni seconded the motion, and President Israel called for a vote: Director Hackett – Aye, Director Ottoboni – Aye, President Israel - Aye. The motion passed with a quorum.

ADJOURNMENT: President Israel made a motion, with a second from Director Hackett to adjourn the regular meeting at 10:39am. The motion passed with a quorum and the meeting then convened into executive closed session.

EXECUTIVE (CLOSED) SESSION.

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION: SUBDIVISION (A) OF CALIFORNIA GOVERNMENT CODE §54956.9: WILLIAM H. MOORES ET AL. V. IRISH BEACH WATER DISTRICT, MENDOCINO SUPERIOR COURT NO. 23CV00273**

Action: The executive (closed) session was adjourned at 10:53am with no reportable actions.

Respectfully submitted:

/s/ Danielle Nahos

Vice President

Date: July 12, 2025

Attest as Presented:

/s/ Heather Hackett

Secretary of the Board

Date: July 12, 2025